

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
2009 Legislative Year**

**Status as of October 12, 2009**

**B - Other Bills**

<b>Bill Number Version</b>	<b>Author</b>	<b>Summary</b>	<b>Board Position</b>	<b>Status</b>
<b>AB 29</b>  A-03/24/2009	Price	<b>PEMHCA: Dependent Care</b>  Prohibits health plan contracts or insurance policies that cover dependent children from establishing a limiting age for coverage of less than 27 years of age. Employers are not required to pay dependents' premium costs after age 23, however a covered employee or annuitant could elect to provide coverage to a dependent who would otherwise be ineligible for coverage by contributing the premium for that coverage.		06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL
<b>AB 53</b>  A-04/14/2009	Portantino	<b>State Employees: Executive Salary Freeze</b>  Prohibits state employees whose base salaries are greater than \$150,000 per year on or after the effective date of the bill from receiving a salary increase while employed in the same position or classification, and from receiving payment for overtime work. The bill would exempt persons whose compensation are governed by an operative memorandum of understanding who have been exempted by executive order of the Governor, or whose salaries are set pursuant to the California Constitution. This prohibition would be in effect in effect until January 1, 2012.	Oppose, Unless Amended	06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL
<b>AB 65</b>  C-10/11/2009	Hayashi	<b>Retired Public Employees Vision Care Program</b>  Creates the Retired Public Employees Vision Care Program to provide vision care benefits to retired annuitants of contracting public agencies, school districts, and the University of California. CalPERS would administer the program which would be funded entirely by annuitants' premium and would be implemented no later than January 1, 2011.	Support, if Amended	10/11/2009- Chaptered by the Secretary of State, Chapter No. 265, Statutes of 2009

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AB 86  C-08/06/2009	Nava	<b>Local Safety Member: Airport Police Officers</b>  Allows contracting agencies to include their airport law enforcement officers as local safety members through an optional contract amendment. Also exempts from Social Security.	Neutral	08/06/2009- Chaptered by the Secretary of State, Chapter No. 79, Statutes of 2009
AB 125  A-06/18/2009	De Leon	<b>California Employee Savings Program (CESP)</b>  Establishes the California Employee Savings Program (CESP) to allow any Californian employed by a private or nonprofit employer to participate in an individual retirement plan developed and administered by CalPERS, if the required regulatory approvals are obtained and adequate funding through a state budget appropriation or a nonprofit or private entity is provided.	Neutral	08/27/2009- Senate Appropriations Committee, held under submission; 2 YEAR BILL
AB 446  A-05/18/2009	Niello	<b>Additional Retirement Service Credit (ARSC)</b>  Requires CalPERS to submit a copy of the ARSC section of the experience study currently being finalized to the legislature by February 1, 2010. The study provides information on the ARSC program from inception through June 30, 2007. If it cannot be submitted on time, an explanation for the delay and alternate timeline must be submitted.	Neutral	06/04/2009- Held in Senate Rules Committee; 2 YEAR BILL
AB 468  C-10/11/2009	Hayashi	<b>Employer Post-Retirement Health Benefit Contributions: Alameda County Transportation Improvement Authority</b>  For employees hired on or after November 1, 2004, prohibits the Alameda County Transportation Improvement Authority (ACTIA) from contributing to annuitant's postretirement health benefits for the first five years of credited service. After five years of credited service, requires ACTIA to pay an employer contribution of 50% and increase its contribution by 5% for each year of credited service until the employer contribution reaches 100% of the weighted average of the health benefits plan premiums for employees or annuitants enrolled for self alone.	Neutral	10/11/2009- Chaptered by the Secretary of State, Chapter No. 320, Statutes of 2009

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AB 542  A-06/18/2009	Feuer	<b>Health Care: Hospital Acquired Conditions</b>  Requires medical and nursing directors to annually report hospital acquired conditions to their hospital governing boards. Contracts between a hospital or licensed surgical clinic and a health care service plan must be consistent with policies of nonpayment for hospital acquired conditions. This bill would require the Department of Managed Health Care (DMHC), in collaboration with the State Department of Public Health, the State Department of Health Care Services, the Managed Risk Medical Insurance Board, the California Public Employees' Retirement System, and the Department of Insurance, to adopt and implement regulations establishing uniform policies and practices governing nonpayment for hospital acquired conditions by state public health programs. These entities would then be required to adopt and implement similar regulations. The bill would prohibit a hospital or licensed surgical clinic from charging for services related to a hospital acquired condition.	Support, if Amended	07/02/2009- Senate Health Committee; hearing canceled at the request of author; 2 YEAR BILL
AB 704  A-04/13/2009	Calderon, Charles	<b>Public Employees - DROP</b>  Establishes the Deferred Retirement Option Program (DROP) as a voluntary program in the Public Employees' Retirement System for the excluded or exempt state employees of State Bargaining Units 5, 6, 7, and 8. The program would provide eligible members, upon retirement, access to a lump sum in addition to a monthly retirement allowance. The bill would require that the program result in a cost savings or be cost neutral to the state, direct the Board of Administration of the Public Employees' Retirement System to prepare a cost analysis of the program, as specified, and direct the board to implement the program on July 1, 2010. It would also require periodic ongoing actuarial assessments of the program.		06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL
AB 803  A-04/13/2009	Duvall	<b>Health Care Coverage: Cash Payment Option</b>  Would require the state to offer employees the option of a cash payment in lieu of health care coverage. Specifically, if an employee is eligible for coverage, she/he must be offered the option of a cash payment, calculated at 67% of the average dollar value of the benefit the employee could have received.		05/01/2009- Failed to get out of the Assembly PER&SS Committee; 2 YEAR BILL

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AB 820 C-08/06/2009	Conway	<b>State Annuitants: Legal Services and Vision Care Plans</b>  Allows DPA to charge annuitants an administrative fee for participating in group legal services plans and allows vision care plan providers to bill annuitants directly if the plan premium exceeds the annuitant's premium allowance.	Support	08/06/2009- Chaptered by the Secretary of State, Chapter No. 126, Statutes of 2009
AB 964 A-03/23/2009	Assembly PER&SS Committee	<b>Memoranda of Understanding for State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20 and 21</b>  Approves provisions of a memoranda of understanding between the State and Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21 that require the expenditure of funds. It also requires that the retirement allowance calculations for CalPERS members in all state bargaining units and excluded and exempt categories shall include earnings, contributions, and compensation earnable that would have been reported to CalPERS had the member not been subject to a mandatory furlough, with the costs that result from the restored service paid by the State.		05/05/2009- Assembly Unfinished Business Reconsidera- tion
AB 1126 I-02/27/2009	Hernandez	<b>PEMHCA: Balance Billing</b>  Amends PEMHCA so that health-care providers giving emergency services and care cannot seek reimbursement or attempt to obtain payment for any covered services provided to an employee or retiree.		06/08/2009- Failed to get out of the Assembly PER&SS Committee; 2 YEAR BILL
AB 1144 A-05/04/2009	Price	<b>Health Care: Pain Care Medication Prescriptions Reporting</b>  Requires health care service plans or insurers covering prescription drug benefits to provide a written report annually to the Department of Managed Health Care or to the Department of Insurance that documents whenever it has required an enrollee or an insured to use certain pain medications prior to providing access to a pain medication supported by a federal Food and Drug Administration approved indication or to a pain medication prescribed by the enrollee's or insured's health care provider, as specified		06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL

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AB 1218 I-02/27/2009	Jones	<b>Health Care Coverage: Rate Regulation</b>  Starting January 1, 2011, this bill requires that HMOs and health insurers would need approval from the Department of Managed Health Care or Department of Insurance for proposed rate increases. Rates requiring approval include premiums, co-payments and deductibles. This bill exempts increases of less than 5% if the health service plan or insurer's medical loss ratio is 90% or higher for the previous three years. The applications of insurers or health care service plans with a medical loss ratio of at least 88%, but deemed less than 90% (with a proposed premium increase of less than 5%) will automatically be deemed approved 60 days after the filing.		05/01/2009- Failed to get out of the Assembly Health Committee; 2 YEAR BILL
AB 1477 I-02/27/2009	Krekorian	<b>Retired School Member Death Benefit</b>  Current law requires a \$2,000 death benefit be paid to the designated beneficiary of a retired school member, with the additional employer contributions required to fund this benefit be computed as a level percentage of member compensation. This bill would increase that payment to \$6,163 for the designed beneficiary of a retired school member.	Neutral, if Amended	06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL
AB 1491 I-02/27/2009	V. Manuel Perez	<b>Corporate Board Diversity</b>  Existing law requires the Secretary of State to maintain a registry of distinguished women and minorities available to serve on corporate boards of directors, and authorizes the information to be made available to data base access or search services. This bill would allow the release of this information only with the registrant's consent, require the Secretary of State to request recommendations from public pension funds on how to improve the registry's effectiveness on or before 6/1/10, and revise various legislative reporting requirements.		09/01/2009- 2 YEAR BILL

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AB 1584  C-10/11/2009	Hernandez	<b>Placement Agent Disclosure and Conflicts of Interest</b>  Requires investment placement agent fee disclosure, requires disclosure of campaign contributions and gifts by placement agents to retirement board members, prohibit retirement board members from selling investments to other public retirement systems, and lengthen post-employment restrictions on influencing retirement board actions for former system executives and board members.	Support	10/11/2009- Chaptered by the Secretary of State, Chapter No. 301, Statutes of 2009
ABX3 13  C-02/20/2009	Evans	<b>State or Local Government Funding: Loans to the General Fund</b>  Added 22 special funds to the list of funds where the General Fund can borrow from the available fund balances to assist with General Fund cash-flow needs. The Contingency Reserve Fund (CRF) is included on this list.		02/20/2009- Chaptered by the Secretary of State, Chapter No. 9, Statutes of 2009
ABX3 80  I-09/08/2009	Portantino	<b>State Employees: Executive Salary Freeze</b>  Prohibits state employees whose base salaries are greater than \$150,000 per year on or after the effective date of the bill from receiving a salary increase while employed in the same position or classification, and from receiving payment for overtime work. The bill would exempt persons whose compensation are governed by an operative memorandum of understanding who have been exempted by executive order of the Governor, or whose salaries are set pursuant to the California Constitution. This prohibition would be in effect until January 1, 2012.		09/09/2009- From printer.
ABX4 12  C-07/28/2009	Evans	<b>FY 2009-10 Budget General Government Trailer Bill</b>  Among other things, this bill would temporarily authorize the CalPERS Board of Administration (Board) to transfer excess reserves between self-funded health benefit plans when setting premiums and implementing the Board's recent decision to use excess reserves to offset employer and subscriber premium payments for two months. This bill would also phase out the state's Rural Health Care Equity Program (RHCEP) for active state employees.		07/30/2009- Chaptered by the Secretary of State. Res. Chapter No. 12, Statutes of 2009-10 Fourth Extraordinary Session

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<b>AJR 10</b>  C-09/16/2009	Torlakson	<b>Social Security Offset Repeal</b>  Requests that Congress support and the President sign the Social Security Fairness Act of 2009 that would repeal the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act.	Support	09/16/2009- Chaptered by the Secretary of State, Chapter No. 103, Statutes of 2009
<b>SB 75</b>  C-10/11/2009	Senate Budget and Fiscal Review Committee	<b>Trial Court Employee Service Credit</b>  Existing law, in effect until July 1, 2010, authorizes the Judicial Council to implement one day per month court closures and specifies that court employees' retirement benefits shall not be effected. This bill, among other things, requires that retirement service credit and compensation earnable for CalPERS members employed by a trial court that are subject to mandatory furloughs during the 2009-10 fiscal year be based on the amount that would have been credited had the employee not been subject to mandatory furloughs.		10/11/2009- Chaptered by the Secretary of State, Chapter No. 342, Statutes of 2009
<b>SB 92</b>  A-03/11/2009	Aanestad	<b>PEMHCA: Healthcare Reform</b>  Requires the CalPERS Board to: offer a high deductible plan and a Health Savings Account option; establish the Public Employees' Health Savings Fund; provide for an electronic personal health record and an electronic personal benefits record for members; and to provide for a Healthy Action Incentives and Rewards Program for members. This bill provides for numerous other health care reforms.		05/01/2009- Failed to get out of the Senate Health Committee; 2 YEAR BILL
<b>SB 270</b>  A-05/05/2009	Alquist	<b>Health Information Technology: Advisory Panel</b>  This bill establishes the Health Information Technology Advisory Panel to advise the Governor and the Legislature on health information technology implementation.		06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL

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SB 341  A-05/14/2009	DeSaulnier	<b>Drug Safety and Effectiveness Program</b>  Enacts the Drug Safety and Effectiveness Program and requires the Department of Public Health (DPH) to make every effort to enter into a contract or agreement with the University of California (UC) to establish a program to evaluate scientific literature that UC determines is relevant to the safety and effectiveness of prescription drugs in the state. If the DPH and the UC enter into a contract or agreement to establish the program, the program would include specified components, including, among other things, an Internet Web site designed to disseminate information to health care professionals and consumers on the relative safety and effectiveness of those drugs, and a pilot project to provide health care professionals with information and education on the comparative efficacy, safety, and cost-effectiveness of commonly used prescription drugs and on the use of the program's website. The bill specifies that the program must be implemented with federal or private funds and must be implemented only to the extent that the University of California determines that the program is not substantially similar to or has the same objectives as any other federally funded program.		06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL
SB 484  A-05/12/2009	Wright	<b>Health: Ephedrine and Pseudoephedrine</b>  Requires products containing ephedrine, pseudoephedrine, and related drugs to be dispensed only with a prescription.		06/30/2009- Assembly Public Safety Committee, failed passage; 2 YEAR BILL
SB 519  C-10/11/2009	Ashburn	<b>1959 Survivor Benefit and Health Prefunding Bargaining Unit 5</b>  Deletes the provisions requiring that enhanced 1959 survivor benefit levels for state and school employees be eliminated on January 1, 2010. Instead, these benefits would be continued indefinitely. The bill would also allocate any amount that would otherwise be used to permanently increase compensation for members of State Bargaining Unit 5 pursuant to the provisions of the most recent MOU, effective on July 1, 2009, and on July 1, 2010, to permanently prefund postemployment health care benefits for patrol members, as defined.	Support	10/11/2009- Chaptered by the Secretary of State, Chapter No. 188, Statutes of 2009



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SB 628  A-04/22/2009	Ashburn	<b>PEMHCA: 2-Tiered Employer Contribution Amount</b>  Through collective bargaining a contracting agency could provide a different employer contribution amount for employees first hired on or after the effective date of the memorandum of understanding.		05/01/2009- Failed to get out of the Senate PE&R Committee; 2 YEAR BILL
SB 810  A-04/23/2009	Leno	<b>Universal Coverage: Single-Payer System</b>  Makes all California residents eligible for specified health care benefits under the newly created California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. Prohibits the issuance of health plan contracts for services covered by the system. Creates the California Healthcare Premium Commission (the Commission) to determine the cost of the California Healthcare System and develop a premium structure. Requires the Commission to recommend a premium structure to the Governor and Legislator on or before January 1, 2011, and to make a draft recommendation to the Governor, the legislature and the public 90 days before submitting its final premium structure recommendation. Requires that the system be operative within two years of the Secretary of Health and Human Services notifying the legislature that sufficient funds exist.		06/02/2009- Held on Appropriations suspense file; 2 YEAR BILL
SBX3 8  C-02/20/2009	Ducheny	<b>2009-2010 Budget Act</b>  Section 31 of this bill would defer payments of employer contributions toward retiree health and dental plans payable in the months of February and March. These deferred payments would instead be payable in April.		02/20/2009- Chaptered by the Secretary of State, Chapter No. 4, Statutes of 2009
SBX3 16  V-06/30/2009	Ducheny	<b>Budget Bill</b>  This bill would make revisions in some of the appropriations previously made for the 2009-10 fiscal year. The bill would make specified reductions in certain appropriations.		06/30/2009- Vetoed